fied the guidelines for issuing bonus shares by companies; and

(b) if so, what are the details of modified?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY): (a) and (b) Yes Sir, On April 13, 1994 SEBI has modified guidelines on Bonus issue through a Press Release under the subject. "Guidelines for disclosure and investor protection." The details of the modified guidelines are enumerated in the Press Release, a copy of which is enclosed.

Press Release Dated April 13, 1994

Sub : Guidelines for disclosure and investor protection—Bonus issue guidelines.

Section M

(i) These guidelines are applicable to existing listed companies who shall forward a certificate duly signed by the issuer and duly countersigned by its statutory auditor or by a company secretary in practice to the effect that the terms and conditions for issue of bonus shares as laid down in these guidelines, have been complied with.

(ii) Issue of bonus shares after any public/rights issue is subject to the condition that no bonus issue shall be made which will dilute the value or rights of the holders of debentures, convertible fully or partly.

In other words, no company shall, pending conversion of FCDs/PCDs, issue any shares by way of bonus unless similar benefit is extended to the holders of such FCDs/PCDs, through reservation of shares in proportion to such convertible part of FCDs or PCDs. The shares so reserved may be issued at the time of conversion(s) of such debentures on the same terms on which the bonus issues were made.

(iii) The bonus issue is made out of free reserves built out of the genuine profits or share premium collected in cash only.

(iv) Reserves created by revaluation of fixed assets are not capitalised.

(v) The declaration of bonus issue, in lieu of dividend, is not made.

(vi) The bonus issue is not made unless the partly-paid shares, if any existing, are made fully paid-up.

(vii) The Company :—

1. has not defaulted in payment of interest or principal in respect fixed deposits and interest on existing debentures or principal on redemption thereof and

2. has sufficient reason to believe that it has not defaulted in respect of the payment of statutory dues of the employees such as contribution to provident fund, gratuity, bonus etc.

(viii) A company which announces its bonus issue after the approval of the Board of Directors must implement the proposals within a period of six months from the date of such approval and shall not have the option of changing the decision.

(ix) There should be a provision in the Articles of Association of the company for capitalisation of reserves, etc. and if not, the company shall pass a Resolution at its General Body Meeting making provisions in the Articles of Association for capitalisation.

(x) Consequent to the issue of bonus shares if the subscribed and paid-up capital exceed the authorised share capital, a Resolution shall be passed by the company at its General Body Meeting for increasing the authorised capital.

Representation from Account Holders of Bank of India Calcutta

5479. SHRI GHUFRAN AZAM : Will the Minister of FINANCE be pleased to state :

(a) whether the Bank of India, Zonal Office, Calcutta has received various representations from the account-holders whose accounts were not allowed to be operated for certain time period by the bank, for payment of interest;

(b) whether the bank has not yet decided the issue relating to payment of interest to such account-holders irrespective of the class of accounts of the clients for the period the bank withheld their money;

(c) if so, the facts and details thereof; and

(d) what steps are being taken to build up better relations between the bank and its clients constituents ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Bank of India have reported that their Zonal office, Calcutta have neither stopped operation of any account nor have they received any representation alleging stopping of operations by the bank.

(b) to (d) Do not arise in view of (a) above.

Salpa Sanchay Scheme of UBI

5480. SHRI GHUFRAN AZAM : Will the Minister of FINANCE be pleased to state :

(a) whether the United Bank of India, Calcutta, through its various branches has been mobilising resources through its MD Salpa Sanchay Scheme;

(b) whether the bank has also offered employment in large numbers, by appointing agents for MD (Salpa Sanchay) Scheme;

(c) whether the bank has received some representations from such agents seeking transfer from one branch of the bank to another in order to facilitate their working and increasing output with safety and security;

(d) if so, the facts and details thereof; and

(e) what action is being taken to accede to such requests of transfer of branch provide the reliefs sought by such agents ?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Yes, Sir.

(b) United Bank of India has reported that they have engaged number of agents for Mini Deposits (SALPA SANCHAY) Scheme. They are, however, not employees of the bank. They are working as Deposit Collectors on commission basis.

(c) to (e) The bank has reported that one of the agents under the scheme has given a representation to the bank seeking transfer from Mamudpur branch of the bank of Kali Temple Road branch at Calcutta alongwith all accounts under the scheme in the name of the agent. The request, however, could not be acceded to by the bank as there is no provision for transfer of the agent under the scheme from one branch to another.

Opening of New Banks

5481. SHRI GHUFRAN AZAM : Will the Minister of FINANCE be pleased to state :

(a) the names and number of bank branches, with their locations which have been opened during the last two years, both by foreign and private banks, in the country;

(b) the amount of capital employed by these banks since their setting up;

(c) whether it is a fact that in order to attract customers, the rules relating to interest payment on term and savings deposits are being openly violated by these banks;

(d) whether these banks have raised the minimum balance in savings accounts at a very high limit than what is prevailing in nationalised banks in the country;

(e) whether unhealthy competition has come into vogue on this account;

(f) if so, the facts and details thereof; and

(g) what steps are being taken to make similar rules for all banks;

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI M. V. CHANDRASHEKHAR MURTHY) : (a) Information relating to names and number of bank branches with locations opened by private sector banks in the country during the last two years is being collected and will be laid on the Table of the House. Existing foreign banks have opened six branches in the country as per details